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To the Board Chair Riverland Mallee Coorong Local Health Network Incorporated

Qualified Opinion

I have audited the financial report of the Riverland Mallee Coorong Local Health Network Incorporated and the consolidated entity comprising the Riverland Mallee Coorong Local Health Network Incorporated and its controlled entities for the financial year ended 30 June 2025.

In my opinion, except for the effects of the matter described in the 'Basis for qualified opinion' section of my report, the accompanying financial report gives a true and fair view of the financial position of the Riverland Mallee Coorong Local Health Network Incorporated and its controlled entities as at 30 June 2025, their financial performance and their cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2025
- a Statement of Financial Position as at 30 June 2025
- a Statement of Changes in Equity for the year ended 30 June 2025
- a Statement of Cash Flows for the year ended 30 June 2025
- notes, comprising material accounting policy information and other explanatory information
- a Certificate from the Board Chair, the Acting Chief Executive Officer and the Chief Finance Officer.

Basis for qualified opinion

Procurement reporting disclosure

The Riverland Mallee Coorong Local Health Network Incorporated and the consolidated entity was required by the Treasurer's Instructions (Accounting Policy Statements) to include a disclosure reporting the value of procurement with South Australian businesses and non-South Australian businesses for 2024-25.

This requirement uses a framework established by the Treasurer's Instructions (Accounting Policy Statements) and definitions within Treasurer's Instructions 18 – *Procurement*.

The Riverland Mallee Coorong Local Health Network Incorporated and the consolidated entity did not include the disclosure in the financial report.

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the Riverland Mallee Coorong Local Health Network Incorporated and its controlled entities. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Responsibilities of the Chief Executive Officer and the Board for the financial report

The Chief Executive Officer is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issues under the provisions of the *Public Finance and Audit Act 1987* and the Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Chief Executive Officer is responsible for assessing the entity's and consolidated entity's ability to continue as a going concern, taking into account any policy or funding decisions the government has made which affect the continued existence of the entity. The Chief Executive Officer is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

The Board is responsible for overseeing the entity's financial reporting process.

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 36(2) of the *Health Care Act 2008*, I have audited the financial report of the Riverland Mallee Coorong Local Health Network Incorporated and its controlled entities for the financial year ended 30 June 2025.

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Riverland Mallee Coorong Local Health Network Incorporated's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive Officer
- conclude on the appropriateness of the Chief Executive Officer's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial report. I am responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. I remain solely responsible for my audit opinion.

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

I communicate with the Chief Executive Officer and the Governing Board about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.

A handwritten signature in blue ink, appearing to read 'Andrew Blaskett', with a stylized flourish at the end.

Andrew Blaskett
Auditor-General

22 September 2025

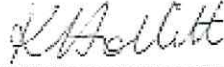
Certification of the financial statements
Riverland Mallee Coorong Local Health Network

We certify that the:

- financial statements of the Riverland Mallee Coorong Local Health Network Inc.:
 - are in accordance with the accounts and records of the authority; and
 - comply with relevant Treasurer's Instructions; and
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the authority at the end of the financial year and the result of its operations and cash flows for the financial year.
- Internal controls employed by the Riverland Mallee Coorong Local Health Network Inc. over its financial reporting and its preparation of the financial statements have been effective throughout the financial year.



.....
Elaine Ashworth
Board Chair



.....
Karen Hollitt
A/Chief Executive Officer



.....
Craig Lukeman
Chief Finance Officer

Date .. 10/09/2025

RIVERLAND MALLEE COORONG LOCAL HEALTH NETWORK
STATEMENT OF COMPREHENSIVE INCOME
For the period ended 30 June 2025

		Consolidated		Parent	
	Note	2025	2024	2025	2024
		\$'000	\$'000	\$'000	\$'000
Income					
Revenues from SA Government	2	182,046	163,359	182,046	163,359
Fees and charges	3	16,354	15,547	16,354	15,547
Grants and contributions	4	56,352	51,193	56,610	51,332
Interest		1,893	1,755	1,742	1,605
Resources received free of charge	5	3,417	2,080	3,417	2,080
Other revenues/income	7	1,782	1,849	1,724	1,545
Total income		261,844	235,783	261,893	235,468
Expenses					
Staff related expenses	8	139,824	125,313	139,824	125,313
Supplies and services	9	106,928	98,930	106,929	98,927
Depreciation and amortisation	17,18	9,942	9,724	1,536	1,480
Grants and subsidies		400	-	400	-
Borrowing costs	10	45	41	45	41
Net loss from disposal of non-current and other assets	6	22	135	22	37
Impairment loss on receivables	13.1	(66)	37	(66)	37
Other expenses	11	976	675	970	1,577
Total expenses		258,071	234,855	249,660	227,412
Net result		3,773	928	12,233	8,056
Other Comprehensive Income					
Items that will not be reclassified to net result					
Changes in property, plant and equipment asset revaluation surplus		(180)	38,551	(180)	(614)
Items that will be reclassified subsequently to net result when specific conditions are met					
Gains or losses recognised directly in equity		(15)	(29)	-	-
Total other comprehensive income		(195)	38,522	(180)	(614)
Total comprehensive result		3,578	39,450	12,053	7,442

The accompanying notes form part of these financial statements. The net result and total comprehensive result are attributable to the SA Government as owner.

RIVERLAND MALLEE COORONG LOCAL HEALTH NETWORK
STATEMENT OF FINANCIAL POSITION
As at 30 June 2025

	Note	Consolidated		Parent	
		2025	2024	2025	2024
		\$'000	\$'000	\$'000	\$'000
Current assets					
Cash and cash equivalents	12	19,333	16,684	17,582	14,893
Receivables	13	6,553	7,198	6,528	7,142
Other financial assets	14	38,431	31,983	36,155	29,721
Inventories	15	1,302	1,166	1,302	1,166
Total current assets		65,619	57,031	61,567	52,922
Non-current assets					
Receivables	13	1,637	1,326	1,637	1,326
Other financial assets	14	153	162	-	-
Property, plant and equipment	16,17	181,285	182,454	22,342	15,105
Intangible assets	16,18	1,026	-	1,026	-
Total non-current assets		184,101	183,942	25,005	16,431
Total assets		249,720	240,973	86,572	69,353
Current liabilities					
Payables	20	5,699	7,425	5,698	7,427
Financial liabilities	21	69	429	69	429
Staff related liabilities	22	23,268	21,660	23,268	21,660
Provisions	23	1,875	1,594	1,875	1,594
Contract liabilities and other liabilities	24	41,015	36,235	41,015	36,235
Total current liabilities		71,926	67,343	71,925	67,345
Non-current liabilities					
Financial liabilities	21	755	973	755	973
Staff related liabilities	22	17,644	16,786	17,644	16,786
Provisions	23	4,914	5,113	4,914	5,113
Total non-current liabilities		23,313	22,872	23,313	22,872
Total liabilities		95,239	90,215	95,238	90,217
Net assets		154,481	150,758	(8,666)	(20,864)
Equity					
Retained earnings		72,876	68,958	(7,872)	(20,250)
Asset revaluation surplus		81,600	81,780	(794)	(614)
Other reserves		5	20	-	-
Total equity		154,481	150,758	(8,666)	(20,864)

The accompanying notes form part of these financial statements. The total equity is attributable to the SA Government as owner

RIVERLAND MALLEE COORONG LOCAL HEALTH NETWORK
STATEMENT OF CHANGES IN EQUITY
For the period ended 30 June 2025

CONSOLIDATED

	Note	Asset revaluation surplus \$ '000	Other reserves \$'000	Retained earnings \$ '000	Total equity \$ '000
Balance at 30 June 2023		43,359	49	67,900	111,308
Net result for 2023-24		-	-	928	928
Gain/(loss) on revaluation of land and buildings	17	38,551	-	-	38,551
Gain/(loss) on revaluation of other financial assets		-	(29)	-	(29)
Total comprehensive result for 2023-24		38,551	(29)	928	39,450
Transfer between equity components		(130)	-	130	-
Balance at 30 June 2024		81,780	20	68,958	150,758
Net result for 2024-25		-	-	3,773	3,773
Gain/(loss) on revaluation of land and buildings		(180)	-	-	(180)
Gain/(loss) on revaluation of other financial assets		-	(15)	-	(15)
Total comprehensive result for 2024-25		(180)	(15)	3,773	3,578
Transactions with SA Government as owner					
Net assets transferred out as a result of an administrative restructure	1.6	-	-	145	145
Balance at 30 June 2025		81,600	5	72,876	154,481

PARENT

	Note	Asset revaluation surplus \$ '000	Other reserves \$'000	Retained earnings \$ '000	Total equity \$ '000
Balance at 30 June 2023		-	-	(28,306)	(28,306)
Net result for 2023-24		-	-	8,056	8,056
Gain/(loss) on revaluation of land and buildings	17	(614)	-	-	(614)
Total comprehensive result for 2023-24		(614)	-	8,056	7,442
Balance at 30 June 2024		(614)	-	(20,250)	(20,864)
Net result for 2024-25		-	-	12,233	12,233
Gain/(loss) on revaluation of land and buildings		(180)	-	-	(180)
Total comprehensive result for 2024-25		(180)	-	12,233	12,053
Transactions with SA Government as owner					
Net assets transferred out as a result of an administrative restructure	1.6	-	-	145	145
Balance at 30 June 2025		(794)	-	(7,872)	(8,666)

The accompanying notes form part of these financial statements. All changes in equity are attributable to the SA Government as owner.

RIVERLAND AND MALLEE COORONG LOCAL HEALTH NETWORK
STATEMENT OF CASH FLOWS
For the period ended 30 June 2025

	Note	Consolidated		Parent	
		2025	2024	2025	2024
		\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Cash inflows					
Receipts from SA Government		145,282	132,656	145,282	132,656
Fees and charges		17,094	14,432	17,105	14,414
Grants and contributions		56,461	51,310	56,719	51,449
Interest received		2,518	1,365	2,390	1,280
Residential aged care bonds received		12,617	8,938	12,617	8,938
GST recovered from ATO		6,708	5,698	6,708	5,698
Other receipts		333	635	275	331
Cash outflows					
Staff benefits payments		(137,311)	(128,653)	(137,311)	(128,653)
Payments for supplies and services		(83,813)	(72,218)	(83,817)	(72,202)
Payments of grants and subsidies		(400)	-	(400)	-
Interest paid		(45)	(41)	(45)	(41)
Residential aged care bonds refunded		(7,846)	(4,844)	(7,846)	(4,844)
Other payments		(998)	(704)	(992)	(704)
Net cash provided by operating activities	25	10,600	8,574	10,685	8,322
Cash flows from investing activities					
Cash inflows					
Proceeds from sale/maturities of investments		1,701	1,729	1,255	850
Cash outflows					
Purchase of property, plant and equipment		(1,138)	(1,039)	(1,138)	(1,039)
Purchase of investments		(8,067)	(10,121)	(7,666)	(9,269)
Net cash provided by/(used in) investing activities		(7,504)	(9,431)	(7,549)	(9,458)
Cash flows from financing activities					
Cash outflows					
Repayment of lease liabilities		(447)	(560)	(447)	(560)
Net cash provided by/(used in) financing activities		(447)	(560)	(447)	(560)
Net increase/(decrease) in cash and cash equivalents		2,649	(1,417)	2,689	(1,696)
Cash and cash equivalents at the beginning of the period		16,684	18,101	14,893	16,589
Cash and cash equivalents at the end of the period	12	19,333	16,684	17,582	14,893

The accompanying notes form part of these financial statements.

RIVERLAND MALLEE COORONG LOCAL HEALTH NETWORK
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the period ended 30 June 2025

1. About Riverland Mallee Coorong Local Health Network

Riverland Mallee Coorong Local Health Network Incorporated (the Hospital) is a not-for-profit incorporated hospital established under the *Health Care (Local Health Networks) Proclamation 2019* which was an amendment to the *Health Care Act 2008* (the Act).

Parent Entity

The Parent entity consists of the following:

- Barmera Hospital
- Barmera Hawdon House Aged Care
- Barmera Bonney Lodge Aged Care
- Barmera Independent Living Units
- Karoonda and Districts Soldier's Memorial Hospital
- Lameroo District Health Service
- Lameroo Independent Living Units
- Loxton Hospital
- Loxton Nursing Home
- Loxton Hostel
- Mannum District Hospital
- Meningie and Districts Memorial Hospital and Health Services
- Murray Bridge Soldiers' Memorial Hospital
- Murray Mallee Community Health Service
 - Coonalpyn
 - Murray Bridge
 - Karoonda
 - Lameroo
 - Mannum
 - Meningie
 - Pinnaroo
 - Tailem Bend
 - Tintinara
- Pinnaroo Soldiers' Memorial Hospital
- Renmark Paringa District Hospital
- Renmark Paringa Nursing Home
- Renmark Paringa Hostel
- Riverland General Hospital located in Berri
- Riverland Community Health Service
 - Berri
 - Barmera
 - Loxton
 - Renmark
- Riverland Mallee Coorong Local Health Network Mental Health Service
- Tailem Bend District Hospital
- Waikerie Health Service

Consolidated Entity

The Consolidated entity includes the Parent entity, the Incorporated Health Advisory Councils (HACs) and the Incorporated HAC Gift Fund Trusts (GFTs) as listed in note 32.

The HACs were established under the Act to provide a more coordinated, strategic and integrated health care system to meet the health needs of South Australians. HACs are consultative bodies that advise and make recommendations to the Chief Executive of

RIVERLAND MALLEE COORONG LOCAL HEALTH NETWORK
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the period ended 30 June 2025

the Department for Health and Wellbeing (Department) and the Chief Executive Officer of the Hospital on issues related to specific groups or regions. HACs hold assets, manage bequests and provide advice on local health service needs and priorities.

The consolidated financial statements have been prepared in accordance with AASB 10 *Consolidated Financial Statements*. Consistent accounting policies have been applied and all inter-entity balances and transactions arising within the consolidated entity have been eliminated in full. Information on the consolidated entity's interests in other entities is at note 32.

1.1 Objectives and activities

The Hospital is committed to a health system that produces positive health outcomes by focusing on health promotion, illness prevention, early intervention and achieving equitable health outcomes for the Riverland Mallee Coorong Region.

The Hospital is part of the SA Health portfolio providing health services for the Riverland Mallee Coorong region. The Hospital is structured to contribute to the outcomes for which the portfolio is responsible by providing health and related services across the Riverland Mallee Coorong region.

The Hospital is governed by a Board which is responsible for providing strategic oversight and monitoring the Hospital's financial and operational performance. The Board must comply with any direction of the Minister for Health and Wellbeing (Minister) or Chief Executive of the Department for Health and Wellbeing (Department).

The Chief Executive Officer is responsible for managing the operations and affairs of the Hospital and is accountable to, and subject to the direction of, the Board in undertaking that function.

1.2 Basis of preparation

These financial statements are general purpose financial statements prepared in compliance with:

- section 23 of the *Public Finance and Audit Act 1987*;
- *Treasurer's Instructions* and Accounting Policy Statements issued by the Treasurer under the *Public Finance and Audit Act 1987*; and
- relevant Australian Accounting Standards.

The financial statements have been prepared based on a 12 month period and presented in Australian currency. All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000). Any transactions in foreign currency are translated into Australian dollars at the exchange rates at the date the transaction occurs. The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

Material accounting policies are set out below or throughout the notes.

1.3 Taxation

The Hospital is not subject to income tax. The Hospital is liable for fringe benefits tax (FBT) and goods and services tax (GST).

Income, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office (ATO), in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis, and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the ATO is classified as part of operating cash flows.

1.4 Continuity of operations

As at 30 June 2025, the Hospital had working capital deficiency of \$6.307 million (\$10.312 million). The SA Government is committed and has consistently demonstrated a commitment to ongoing funding of the Hospital to enable it to perform its functions. This ongoing commitment is ultimately outlined in the annually produced and published State Budget Papers which presents the SA

RIVERLAND MALLEE COORONG LOCAL HEALTH NETWORK
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the period ended 30 June 2025

Government's current and estimated future economic performance, including forward estimates of revenue, expenses and performance by agency.

1.5 Equity

The asset revaluation surplus is used to record increments and decrements in the fair value of land, buildings and plant and equipment to the extent that they offset one another. Relevant amounts are transferred to retained earnings when an asset is derecognised.

1.6 Changes to Reporting Entity

Administrative Restructure – Transfer Out

2024-25

In response to the Commonwealth Government's introduction of a new single assessment aged care system across all State and Territory jurisdictions, the South Australian Health Chief Executives Council (HCEC), on 2 July 2024, approved the proposal to transition Local Health Network based assessment services into a statewide Aged Care Assessment Service (ACAS), to be implemented by the Central Adelaide Local Health Network (CALHN) by 1 July 2025. The Chief Executive Officer of the Hospital, on 1 April 2025, approved the transition of 5 staff to the statewide ACAS in CALHN, effective 2 March 2025. Staff related liabilities of \$0.145 million were transferred out of the Hospital.

2. Revenues from SA Government

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Capital projects funding	9,138	4,863	9,138	4,863
Operational funding	172,908	158,496	172,908	158,496
Total revenues from SA Government	182,046	163,359	182,046	163,359

The Department provides recurrent and capital funding under a service agreement to the Hospital for the provision of general health services. Contributions from the Department are recognised as revenue when the Hospital obtains control over the funding. Control over the funding is normally obtained upon receipt.

3. Fees and charges

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Commissions revenue	4	3	4	3
Patient and client fees	4,139	3,851	4,139	3,851
Private practice fees	154	171	154	171
Fees for health services	1,184	1,257	1,184	1,257
Residential and other aged care charges	8,811	8,443	8,811	8,443
Sale of goods - medical supplies	3	74	3	74
Training revenue	6	17	6	17
Other user charges and fees	2,053	1,731	2,053	1,731
Total fees and charges	16,354	15,547	16,354	15,547

The Hospital measures revenue based on the consideration specified in a major contract with a customer and excludes amounts collected on behalf of third parties. All contracts with customers recognised goods and services transferred at a point in time, when the Hospital satisfies performance obligations by transferring the promised goods or services to its customers.

The Hospital recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities (refer to note 24).

The Consolidated Entity recognises revenue (contract from customers) from the following major sources:

Patient and Client Fees

Public health care is free for medicare eligible customers. Non-medicare eligible customers pay in arrears to stay overnight in a public hospital and to receive medical assessment, advice, treatment and care from a health professional. These charges may include doctors, surgeons, anaesthetists, pathology, radiology services etc. Revenue from these services is recognised on a time-and-material basis as services are provided. Any amounts remaining unpaid at the end of the reporting period are treated as an accounts receivable.

RIVERLAND MALLEE COORONG LOCAL HEALTH NETWORK
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the period ended 30 June 2025

Residential and other aged care charges

Long stay nursing home fees include daily care fees and daily accommodation fees. Residents pay fortnightly in arrears for services rendered and accommodation supplied. Residents are invoiced fortnightly as services and accommodation are provided. Any amounts remaining unpaid or unbilled at the end of the reporting period are treated as an accounts receivable.

Fees for health services

Where the Hospital has incurred an expense on behalf of another entity, payment is recovered from the other entity by way of a recharge of the cost incurred. These fees can relate to the recharge of salaries and wages or various goods and services. Revenue is recognised on a time-and-material basis as provided. Any amounts remaining unpaid at the end of the reporting period are treated as an accounts receivable.

4. Grants and contributions

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Commonwealth grants and donations	31,194	28,057	31,194	28,057
Commonwealth aged care subsidies	24,588	22,152	24,588	22,152
Other SA Government grants and contributions	-	-	259	140
Private sector grants and contributions	570	984	569	983
Total grants and contributions	56,352	51,193	56,610	51,332

Grants provided for are usually subject to terms and conditions set out in the contract, correspondence, or by legislation. All grants and contributions received were provided for specific purposes such as aged care, community health services and other related health services and are recognised in accordance with AASB 1058 *Income of Not-for-Profit Entities*.

5. Resources received free of charge

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Intangible Assets	1,151	-	1,151	-
Services	2,266	2,080	2,266	2,080
Total resources received free of charge	3,417	2,080	3,417	2,080

Resources received free of charge include intangible assets comprised of computer software provided by Barossa Hills and Fleurieu Local Health Network which is recorded at fair value.

Contribution of services are recognised only when a fair value can be determined reliably and the services would be purchased if they had not been donated. The Hospital receives Financial Accounting, Taxation, Payroll, Accounts Payable and Accounts Receivable services from Shared Services SA free of charge valued at \$1.653 million (\$1.580 million) and ICT services from the Department of the Premier and Cabinet (DPC) valued at \$0.459 million (\$0.500 million).

On 5 September 2024 the Treasurer approved the Auditor-General's request to cease audit fee charging arrangements for auditing the public accounts, effective for financial years ending on or after 30 June 2024. The Hospital received audit services from the Audit Office of South Australia free of charge valued at \$0.154 million.

Although not recognised, the Hospital receives volunteer services from around 205 registered volunteers who provide patient and staff support services to individuals using the health facilities services. The services include but are not limited to: daily supper rounds, way finding services, stores replenishment, support in theatre/recovery/emergency departments, administration/medical records, on the wards, home delivered meals, transport and the Community Visitors Scheme (social support).

RIVERLAND MALLEE COORONG LOCAL HEALTH NETWORK
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the period ended 30 June 2025

6. Net gain/(loss) from disposal of non-current and other assets

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Land and buildings:				
Carrying amount of assets disposed	-	(98)	-	-
Net gain/(loss) from disposal of land and buildings	-	(98)	-	-
Plant and equipment				
Carrying amount of assets disposed	(22)	(37)	(22)	(37)
Total net gain/(loss) from disposal of plant and equipment	(22)	(37)	(22)	(37)
Total assets:				
Carrying amount of assets disposed	(22)	(135)	(22)	(37)
Total net gain/(loss) from disposal of assets	(22)	(135)	(22)	(37)

Gains or losses on disposal are recognised at the date control of the asset is passed from the Hospital and are determined after deducting the carrying amount of the asset from the proceeds at that time.

7. Other revenues/income

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Dividend revenue	7	5	-	-
Donations	90	498	51	205
Health recoveries	1,382	1,166	1,382	1,166
Insurance recoveries	88	106	88	106
Other	215	74	203	68
Total other revenues/income	1,782	1,849	1,724	1,545

On 5 September 2024 the Treasurer approved the Auditor-General's request to cease audit fee charging arrangements for auditing the public accounts, effective for financial years ending on or after 30 June 2024. The Hospital received audit services from the Audit Office of South Australia free of charge valued at \$0.154 million (\$0.106 million).

8. Staff related expenses

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Salaries and wages	110,271	102,951	110,271	102,951
Long service leave	2,777	3,365	2,777	3,365
Annual leave	10,218	9,278	10,218	9,278
Skills and experience retention leave	490	460	490	460
Superannuation	13,960	12,361	13,960	12,361
Workers compensation	1,729	(3,421)	1,729	(3,421)
Board and committee fees	309	247	309	247
Other staff related expenses	70	72	70	72
Total staff related expenses	139,824	125,313	139,824	125,313

Superannuation represents the Hospital's contribution to superannuation plans in respect of current services of staff.

8.1 Key Management Personnel

Key management personnel (KMP) of the Hospital includes the Minister, the nine (seven) members of the governing board, the Chief Executive of the Department, the Chief Executive Officer of the Hospital and the twelve (twelve) members of the Executive Management Group who have responsibility for the strategic direction and management of the Hospital.

The compensation detailed below excludes salaries and other benefits received by:

- The Minister. The Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via DTF) under section 6 of the *Parliamentary Remuneration Act 1990*; and
- The Chief Executive of the Department. The Chief Executive is compensated by the Department and there is no requirement for the Hospital to reimburse those expenses.

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	2025	2024
Compensation	\$'000	\$'000
Salaries and other short term employee benefits	3,419	3,067
Post-employment benefits	456	367
Other long-term employment benefits	-	112
Termination Benefits	7	-
Total	3,882	3,546

The Hospital did not enter into any transactions with key management personnel or their close family during the reporting period that were not consistent with normal procurement arrangements.

8.2 Remuneration of Boards and Committees

The number of board or committee members whose remuneration received or receivable falls within the following bands is:

	2025 No. of Members	2024 No. of Members
\$1 - \$20,000	2	1
\$20,001 - \$40,000	5	6
\$40,001 - \$60,000	3	1
Total	10	8

The total remuneration received or receivable by members was \$0.334 million (\$0.262 million). Remuneration of members reflects all costs of performing board/committee member duties including sitting fees, superannuation contributions, salary sacrifice benefits and any related fringe benefits and related fringe benefits tax paid. In accordance with the Premier and Cabinet Circular No. 016, government employees did not receive any remuneration for board/committee duties during the financial year.

Unless otherwise disclosed, transactions between members are on conditions no more favourable than those that it is reasonable to expect the entity would have adopted if dealing with the related party at arm's length in the same circumstances.

Refer to note 33 for members of boards/committees that served for all or part of the financial year and were entitled to receive income from membership in accordance with APS 124.B.

8.3 Remuneration of staff

The number of staff whose remuneration received or receivable falls within the following bands:

	Consolidated		Parent	
	2025 Number	2024 Number	2025 Number	2024 Number
\$166,001 - \$171,000*	n/a	3	n/a	3
\$171,001 - \$191,000	14	16	14	16
\$191,001 - \$211,000	8	5	8	5
\$211,001 - \$231,000	1	1	1	1
\$231,001 - \$251,000	4	7	4	7
\$251,001 - \$271,000	2	1	2	1
\$271,001 - \$291,000	5	2	5	2
\$291,001 - \$311,000	-	1	-	1
\$311,001 - \$331,000	3	-	3	-
\$391,001 - \$411,000	2	1	2	1
\$411,001 - \$431,000	-	1	-	1
\$451,001 - \$471,000	1	1	1	1
\$491,001 - \$511,000	-	1	-	1
\$511,001 - \$531,000	-	1	-	1
\$531,001 - \$551,000	1	-	1	-
\$551,001 - \$571,000	-	2	-	2
\$571,001 - \$591,000	1	-	1	-
\$591,001 - \$611,000	2	1	2	1
\$611,001 - \$631,000	1	-	1	-
\$691,001 - \$711,000	-	1	-	1
\$1,051,001 - \$1,071,000	1	-	1	-
Total number of staff	46	45	46	45

*The \$166,001 to \$171,000 band has been included for the purposes of reporting comparative figures based on the executive base level remuneration rate for 2023-24.

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The table includes all staff who received remuneration equal to or greater than the base executive remuneration level during the year. Remuneration of staff reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice benefits and fringe benefits and any related fringe benefits tax paid.

8.4 Remuneration of staff by classification

The total remuneration received by staff included above:

	Consolidated				Parent			
	2025		2024		2025		2024	
	No.	\$'000	No.	\$'000	No.	\$'000	No.	\$'000
Executive	1	280	1	259	1	280	1	259
Medical (excluding Nursing)	25	9,407	23	7,978	25	9,407	23	7,978
Non-medical (i.e. administration)	0	0	3	602	0	0	3	602
Nursing	20	3,802	18	3,277	20	3,802	18	3,277
Total	46	13,489	45	12,116	46	13,489	45	12,116

9. Supplies and services

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Administration	1,145	1,546	1,144	1,543
Advertising	182	182	181	182
Communication	885	1,035	885	1,035
Computing	3,466	2,890	3,466	2,890
Consultants	107	115	107	115
Contract of services	391	576	391	576
Contractors	818	905	818	905
Contractors - agency staff	19,787	16,124	19,787	16,124
Drug supplies	2,313	1,614	2,313	1,614
Electricity, gas and fuel	2,521	2,262	2,521	2,262
Fee for service*	23,486	22,023	23,486	22,023
Food supplies	3,295	3,119	3,295	3,119
Housekeeping	1,771	1,659	1,771	1,659
Insurance	1,292	1,163	1,292	1,163
Internal SA Health SLA payments	7,180	6,612	7,180	6,612
Legal	65	39	65	39
Medical, surgical and laboratory supplies	13,875	14,530	13,875	14,530
Minor equipment	1,934	2,340	1,934	2,340
Motor vehicle expenses	972	608	972	608
Occupancy rent and rates	873	943	873	943
Patient transport	3,854	3,743	3,854	3,743
Postage	235	247	235	247
Printing and stationery	540	605	540	605
Repairs and maintenance	8,343	7,347	8,343	7,339
Security	886	1,219	886	1,219
Services from Shared Services SA	1,654	1,580	1,654	1,580
Short term lease expense	723	386	723	386
Training and development	1,321	1,067	1,321	1,067
Travel expenses	536	582	536	582
Other supplies and services	2,478	1,869	2,481	1,877
Total supplies and services	106,928	98,930	106,929	98,927

* Fee for Service primarily relates to medical services provided by doctors not employed by the Hospital.

The Hospital recognises lease payments associated with short term leases (12 months or less) as an expense on a straight line basis over the lease term. Lease commitments for short term leases is similar to short term lease expenses disclosed.

10. Borrowing costs

The Hospital does not capitalise borrowing costs. The total borrowing costs from lease liabilities not at fair value through the profit and loss was \$0.045 million (\$0.041 million). Refer to note 21 for more information on financial liabilities.

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11. Other expenses

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Debts written off	235	39	235	39
Bank fees and charges	8	5	7	5
Donated assets expense	-	-	-	902
Other*	733	631	728	631
Total other expenses	976	675	970	1,577

* Includes Audit fees paid/payable to Galpins Accountants, Auditors and Business Consultants of \$0.060 million (\$0.059 million) for HAC and aged care audits.

In 2023-24 donated assets expense relates to buildings and improvement and is recorded as expenditure at their fair value and have been donated by the HAC.

12. Cash and cash equivalents

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Cash at bank or on hand	6,105	6,728	4,354	4,937
Deposits with Treasurer: general operating	12,608	8,932	12,608	8,932
Deposits with Treasurer: special purpose funds	620	1,024	620	1,024
Total cash and cash equivalents in the Statement of Financial Position	19,333	16,684	17,582	14,893
Total cash and cash equivalents in the Statement of Cash Flows	19,333	16,684	17,582	14,893

Cash is measured at nominal amounts. The Hospital operates through the Department's general operating account held with the Treasurer and does not earn interest on this account. Interest is earned on HAC and GFT bank accounts and accounts holding aged care funds, including refundable deposits. Of the \$19.333 million (\$16.684 million) held, \$2.336 million (\$4.085 million) relates to aged care refundable deposits.

13. Receivables

	Note	Consolidated		Parent	
		2025	2024	2025	2024
		\$'000	\$'000	\$'000	\$'000
Current					
Patient/client fees: compensable		183	247	183	247
Patient/client fees: aged care		2,159	1,314	2,159	1,314
Patient/client fees: other		614	566	614	566
Debtors		1,486	499	1,489	507
Less: allowance for impairment loss on receivables	13.1	(377)	(443)	(377)	(443)
Prepayments		381	351	381	351
Interest		160	873	127	798
Workers compensation provision recoverable		423	340	423	340
Sundry receivables and accrued revenue		1,462	3,235	1,467	3,246
GST input tax recoverable		62	216	62	216
Total current receivables		6,553	7,198	6,528	7,142
Non-current					
Debtors		122	99	122	99
Workers compensation provision recoverable		1,515	1,227	1,515	1,227
Total non-current receivables		1,637	1,326	1,637	1,326
Total receivables		8,190	8,524	8,165	8,468

Receivables arise in the normal course of selling goods and services to other agencies and to the public. The Hospital's trading terms for receivables are generally 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement. Receivables, prepayments and accrued revenues are non-interest bearing. Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

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Other than as recognised in the allowance for impairment of receivables, it is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

13.1 Impairment of receivables

The Hospital has adopted the simplified impairment approach under AASB 9 and measured lifetime expected credit losses on all trade receivables using an allowance matrix as a practical expedient to measure the impairment provision.

Movement in the impairment of receivables:

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	443	406	443	406
Increase/(Decrease) in allowance recognised in profit or loss	(66)	37	(66)	37
Carrying amount at the end of the period	377	443	377	443

Impairment losses relate to receivables arising from contracts with customers that are external to the SA Government. Refer to note 30 for details regarding credit risk and the methodology for determining impairment.

14. Other financial assets

The consolidated and parent entities hold term deposits of \$38.431 million (\$31.983 million) and \$36.155 million (\$29.721 million) respectively. Of these deposits \$27.898 million (\$22.550 million) relates to aged care refundable deposits, with the remaining funds primarily relating to aged care. These deposits are measured at amortised cost. The consolidated entities non-current listed equities and other investments are measured at fair value represented by market value.

There is no impairment on other financial assets. Refer to note 30 for further information on risk management.

15. Inventories

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Drug supplies	379	295	379	295
Medical, surgical and laboratory supplies	652	602	652	602
Food and hotel supplies	217	201	217	201
Engineering supplies	11	10	11	10
Other	43	58	43	58
Total current inventories - held for distribution	1,302	1,166	1,302	1,166

All inventories are held for distribution at no or nominal consideration and are measured at the lower of average weighted cost and replacement cost. The amount of any inventory write-down to net realisable value/replacement cost or inventory losses are recognised as an expense in the period the write-down or loss occurred. Any write-down reversals are also recognised as an expense reduction.

16. Property, plant and equipment, investment property and intangible assets

16.1 Acquisition and recognition

Property, plant and equipment owned by the Hospital are initially recorded on a cost basis and subsequently measured at fair value. Where assets are acquired at no value, or minimal value, they are recorded at their fair value in the Statement of Financial Position. Where assets are acquired at no or nominal value as part of a restructure of administrative arrangements, the assets are recorded at the value held by the transferor public authority prior to the restructure.

The Hospital capitalises owned property, plant and equipment with a value equal to or in excess of \$10,000. Assets recorded as works in progress represent projects physically incomplete as at the reporting date. Componentisation of complex assets is generally performed when the complex asset's fair value at the time of acquisition is equal to or greater than \$5 million for infrastructure assets and \$1 million for other assets.

16.2 Depreciation and amortization

The residual values, useful lives, depreciation and amortisation methods of all major assets held by the Hospital are reviewed and adjusted if appropriate on an annual basis. Changes in expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or method, as appropriate. Depreciation/amortisation is calculated on a straight-line basis.

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Property, plant and equipment and intangible assets depreciation and amortisation are calculated over the estimated useful life as follows.

<u>Class of asset</u>	<u>Useful life (years)</u>
Buildings and improvements	12 - 57
Right-of-use buildings	lease term
Plant and equipment:	
• Medical, surgical, dental and biomedical equipment and furniture	1 - 10
• Computing equipment	2 - 3
• Vehicles	1 - 3
• Other plant and equipment	1 - 25
Right-of-use plant and equipment	2 - 3
Intangibles	10

16.3 Revaluation

All non-current tangible assets owned by the Hospital are subsequently measured at fair value after allowing for accumulated depreciation (written down current cost).

Revaluation of non-current assets or a group of assets is only performed when the asset's fair value at the time of acquisition is greater than \$1.5 million and the estimated useful life exceeds three years. Revaluations are undertaken on a regular cycle. Non-current tangible assets that are acquired between revaluations are held at cost until the next valuation, where they are revalued to fair value. If at any time management considers that the carrying amount of an asset greater than \$1.5 million materially differs from its fair value, then the asset will be revalued regardless of when the last revaluation took place.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amounts of the assets and the net amounts are restated to the revalued amounts of the asset. Upon disposal or derecognition, any asset revaluation surplus relating to that asset is transferred to retained earnings.

16.4 Impairment

The Hospital holds its property, plant and equipment for their service potential (value in use). Specialised assets would rarely be sold and typically any costs of disposal would be negligible, accordingly the recoverable amount will be closer to or greater than fair value. Where there is an indication of impairment, the recoverable amount is estimated. For revalued assets fair value is assessed each year. There were no indications of impairment for property, plant and equipment as at 30 June 2025.

16.5 Intangible Assets

Intangible assets are initially measured at cost and are tested for indications of impairment at each reporting date. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. The amortisation period and the amortisation method for intangible assets with finite useful lives is reviewed on an annual basis. Amortisation is not recognised against these intangible assets.

The acquisition of, or internal development of, software is capitalised only when the expenditure meets the definition criteria and recognition criteria and when the amount of expenditure is greater than or equal to \$10,000. Capitalised software is amortised over the useful life of the asset.

16.6 Land and buildings

Consistent with Treasurer's Instructions, a public authority must at least every 6 years obtain a valuation appraisal from a qualified valuer, an independent valuation of land and buildings owned by the Hospital was performed between March and June 2024, by a certified practising valuer from Marsh Advisory Pacific, as at 1 June 2024.

Fair value of unrestricted land was determined using the market approach. The valuation was based on recent market transactions for similar land and buildings (non-specialised) in the area and includes adjustment for factors specific to the land and buildings being valued such as size, location and current use. For land classified as restricted in use, fair value was determined by applying an adjustment to reflect the restriction.

Fair value of buildings and other land was determined using depreciated replacement cost, due to there not being an active market. The depreciated replacement cost considered the need for ongoing provision of government services; specialised nature and restricted use of the assets; their size, condition and location. The valuation was based on a combination of internal records, specialised knowledge and acquisitions/transfer costs.

Annual review of land and buildings fair values was undertaken effective 1 June 2025, including assessment using indices supplied by the Office of the Valuer-General for estimated cost and market values based on location. It was determined that carrying amounts of assets are materially accurate for fair value.

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16.7 Plant and equipment

The value of plant and equipment has not been revalued. This is in accordance with APS 116D. The carrying value is deemed to approximate fair value. These assets are classified in Level 3 as there have been no subsequent adjustments to their value, except for management assumptions about the asset condition and remaining useful life.

16.8 Leased property, plant and equipment

Right-of-use assets leased by the Hospital as lessee are measured at cost and there were no indications of impairment. Short-term leases of 12 months or less and low value leases, where the underlying asset value is less than \$15,000 are not recorded as right-of-use assets. The associated lease payments are recognised as an expense and disclosed in note 9.

The Hospital has a number of lease agreements. Major lease activities include the use of:

- Properties – include health clinics leased from local government and office accommodation and staff residential accommodation leased from Housing SA or the private sector. Generally, property leases are non-cancellable with many having the right of renewal. Rent is payable in arrears with increases generally linked to CPI increases. Prior to renewal, most lease arrangements undergo a formal rent review linked to market appraisals or independent valuers.
- Motor vehicles – leased from the South Australian Government Financing Authority (SAFA) through their agent LeasePlan Australia. Effective 1 April 2025, SAFA issued new lease agreements for all its existing leases. Each of these new lease agreements includes a standard clause that gives SAFA substantive substitution rights, as a result motor vehicle leases are no longer captured by AASB 16. Accordingly, the carrying values of existing right-of-use assets and corresponding lease liabilities were derecognised.

The Hospital has not committed to any lease arrangements that have not commenced and has not entered into any sub-lease arrangements outside of the Hospital.

The lease liabilities related to the right-of-use assets (and the maturity analysis) are disclosed at note 21. Expenses related to leases including depreciation and interest expense are disclosed at note 17 and 10. Cash outflows related to leases are disclosed at note 25.

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17. Reconciliation of property, plant and equipment

The following table shows the movement:

Consolidated

2024-25

	Land and buildings:			Plant and equipment:					
	Land	Buildings	Right-of-use	Capital	Medical/	Other	Right-of-use	Capital	Total
	\$'000	\$'000	buildings	works in	surgical/	plant and	plant and	works in	\$'000
			\$'000	progress	dental/	equipment	equipment	progress	
				land and	biomedical			plant and	
				buildings	\$'000	\$'000	\$'000	equipment	\$'000
				\$'000				\$'000	\$'000
Carrying amount at the beginning of the period	13,335	160,870	700	4,381	1,694	563	654	257	182,454
Additions	-	-	-	8,426	104	53	549	383	9,515
Disposals	-	-	-	-	(21)	(1)	(816)	-	(838)
Transfers between asset classes	-	180	-	(274)	-	173	-	(79)	-
Remeasurement	-	-	151	-	-	-	-	-	151
Subtotal:	13,335	161,050	851	12,533	1,777	788	387	561	191,282
Gains/(losses) for the period recognised in net result:									
Depreciation and amortisation	-	(8,706)	(63)	-	(521)	(140)	(387)	-	(9,817)
Subtotal:	-	(8,706)	(63)	-	(521)	(140)	(387)	-	(9,817)
Gains/(losses) for the period recognised in other comprehensive income:									
Revaluation increment / (decrement)	-	(180)	-	-	-	-	-	-	(180)
Subtotal:	-	(180)	-	-	-	-	-	-	(180)
Carrying amount at the end of the period*	13,335	152,164	788	12,533	1,256	648	-	561	181,285
Gross carrying amount									
Gross carrying amount	13,335	161,709	1,191	12,533	4,621	1,476	-	561	195,426
Accumulated depreciation / amortisation	-	(9,545)	(403)	-	(3,365)	(828)	-	-	(14,141)
Carrying amount at the end of the period	13,335	152,164	788	12,533	1,256	648	-	561	181,285

*All property, plant and equipment are classified in the level 2 and level 3 fair value hierarchy except for capital works in progress (not classified). Refer to note 21 for details about the lease liability for right-of-use assets.

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Consolidated

2023-24

	Land and buildings:			Plant and equipment:					
	Land	Buildings	Right-of-use	Capital	Medical/	Other	Right-of-use	Capital	Total
	\$'000	\$'000	buildings	works in	surgical/	plant and	plant and	works in	\$'000
			\$'000	progress	dental/	equipment	equipment	progress	
				land and	biomedical	\$'000	\$'000	plant and	\$'000
				buildings	\$'000			equipment	
				\$'000				\$'000	
Carrying amount at the beginning of the period	8,015	132,401	768	4,641	987	581	703	474	148,570
Additions	-	-	-	3,564	1,090	17	448	73	5,192
Disposals	-	(98)	-	-	(30)	(7)	-	-	(135)
Transfers between asset classes	-	3,824	-	(3,824)	188	102	-	(290)	-
Subtotal:	8,015	136,127	768	4,381	2,235	693	1,151	257	153,627
Gains/(losses) for the period recognised in net result:									
Depreciation and amortisation	-	(8,488)	(68)	-	(541)	(130)	(497)	-	(9,724)
Subtotal:	-	(8,488)	(68)	-	(541)	(130)	(497)	-	(9,724)
Gains/(losses) for the period recognised in other comprehensive income:									
Revaluation increment / (decrement)	5,320	33,231	-	-	-	-	-	-	38,551
Subtotal:	5,320	33,231	-	-	-	-	-	-	38,551
Carrying amount at the end of the period*	13,335	160,870	700	4,381	1,694	563	654	257	182,454
Gross carrying amount									
Gross carrying amount	13,335	161,709	1,040	4,381	4,643	1,253	1,512	257	188,130
Accumulated depreciation / amortisation	-	(839)	(340)	-	(2,949)	(690)	(858)	-	(5,676)
Carrying amount at the end of the period	13,335	160,870	700	4,381	1,694	563	654	257	182,454

*All property, plant and equipment are classified in the level 2 and level 3 fair value hierarchy except for capital works in progress (not classified). Refer to note 21 for details about the lease liability for right-of-use assets.

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Parent
2024-25

	Land and buildings:			Plant and equipment:					
	Land	Buildings	Right-of-use	Capital	Medical/	Other	Right-of-use	Capital	Total
	\$'000	\$'000	buildings	works in	surgical/	plant and	plant and	works in	\$'000
			\$'000	progress	dental/	equipment	equipment	progress	
				land and	biomedical			plant and	
				buildings	\$'000	\$'000	\$'000	equipment	\$'000
				\$'000				\$'000	
Carrying amount at the beginning of the period	1,165	5,691	700	4,381	1,694	563	654	257	15,105
Additions	-	-	-	8,426	104	53	549	383	9,515
Disposals	-	-	-	-	(21)	(1)	(816)	-	(838)
Transfers between asset classes	-	180	-	(274)	-	173	-	(79)	-
Remeasurement	-	-	151	-	-	-	-	-	151
Subtotal:	1,165	5,871	851	12,533	1,777	788	387	561	23,933
Gains/(losses) for the period recognised in net result:									
Depreciation and amortisation	-	(300)	(63)	-	(521)	(140)	(387)	-	(1,411)
Subtotal:	-	(300)	(63)	-	(521)	(140)	(387)	-	(1,411)
Gains/(losses) for the period recognised in other comprehensive income:									
Revaluation increment / (decrement)	-	(180)	-	-	-	-	-	-	(180)
Subtotal:	-	(180)	-	-	-	-	-	-	(180)
Carrying amount at the end of the period*	1,165	5,391	788	12,533	1,256	648	-	561	22,342
Gross carrying amount									
Gross carrying amount	1,165	5,716	1,191	12,533	4,621	1,476	-	561	27,263
Accumulated depreciation / amortisation	-	(325)	(403)	-	(3,365)	(828)	-	-	(4,921)
Carrying amount at the end of the period	1,165	5,391	788	12,533	1,256	648	-	561	22,342

*All property, plant and equipment are classified in the level 2 and level 3 fair value hierarchy except for capital works in progress (not classified). Refer to note 21 for details about the lease liability for right-of-use assets.

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Parent

2023-24

	Land and buildings:			Plant and equipment:					Total \$'000
	Land \$'000	Buildings \$'000	Right-of-use buildings \$'000	Capital works in progress land and buildings \$'000	Medical/ surgical/ dental/ biomedical \$'000	Other plant and equipment \$'000	Right-of-use plant and equipment \$'000	Capital works in progress plant and equipment \$'000	
Carrying amount at the beginning of the period	714	4,078	768	4,641	987	581	703	474	12,946
Additions	-	-	-	3,564	1,090	17	448	73	5,192
Disposals	-	-	-	-	(30)	(7)	-	-	(37)
Donated assets disposal	-	-	-	(902)	-	-	-	-	(902)
Transfers between asset classes	-	2,922	-	(2,922)	188	102	-	(290)	-
Subtotal:	714	7,000	768	4,381	2,235	693	1,151	257	17,199
Gains/(losses) for the period recognised in net result:									
Depreciation and amortisation	-	(244)	(68)	-	(541)	(130)	(497)	-	(1,480)
Subtotal:	-	(244)	(68)	-	(541)	(130)	(497)	-	(1,480)
Gains/(losses) for the period recognised in other comprehensive income:									
Revaluation increment / (decrement)	451	(1,065)	-	-	-	-	-	-	(614)
Subtotal:	451	(1,065)	-	-	-	-	-	-	(614)
Carrying amount at the end of the period*	1,165	5,691	700	4,381	1,694	563	654	257	15,105
Gross carrying amount									
Gross carrying amount	1,165	5,718	1,040	4,381	4,643	1,253	1,512	257	19,969
Accumulated depreciation / amortisation	-	(27)	(340)	-	(2,949)	(690)	(858)	-	(4,864)
Carrying amount at the end of the period	1,165	5,691	700	4,381	1,694	563	654	257	15,105

*All property, plant and equipment are classified in the level 2 and level 3 fair value hierarchy except for capital works in progress (not classified). Refer to note 21 for details about the lease liability for right-of-use assets.

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18. Reconciliation of intangible assets

The following table shows the movement:

Consolidated

	2024-25
	Computer
	software
	\$'000
Amortisation	(125)
Transfers between asset classes	1,151
Carrying amount at the end of the period	1,026
Gross carrying amount	
Gross carrying amount	1,151
Accumulated amortisation	(125)
Carrying amount at the end of the period	1,026
Parent	
Amortisation	(125)
Transfers between asset classes	1,151
Carrying amount at the end of the period	1,026
Gross carrying amount	
Gross carrying amount	1,151
Accumulated amortisation	(125)
Carrying amount at the end of the period	1,026

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19. Fair value measurement

The Hospital classifies fair value measurement using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements, based on the data and assumptions used in the most recent revaluation:

- Level 1 – traded in active markets, and is based on unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at measurement date.
- Level 2 – not traded in an active market, and are derived from inputs (inputs other than quoted prices included within Level 1) that are observable for the asset, either directly or indirectly.
- Level 3 – not traded in an active market, and are derived from unobservable inputs.

The Hospital's current use is the highest and best use of the asset unless other factors suggest an alternative use. As the Hospital did not identify any factors to suggest an alternative use, fair value measurement was based on current use. The carrying amount of non-financial assets with a fair value at the time of acquisition that was less than \$1.5 million, or an estimated useful life that was less than three years, are deemed to approximate fair value.

Refer to notes 16 and 19.2 for disclosure regarding fair value measurement techniques and inputs used to develop fair value measurements for non-financial assets.

19.1 Fair value hierarchy

The fair value of non-financial assets must be estimated for recognition and measurement or for disclosure purposes. The Hospital categorises non-financial assets measured at fair value at Level 3 which are all recurring.

Fair value measurements at 30 June 2025

	Consolidated			Parent		
	Level 2	Level 3	Total	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Recurring fair value measurements (Note 17)						
Land	13,335	-	13,335	1,165	-	1,165
Buildings and improvements	72,529	79,635	152,164	3,881	1,510	5,391
Total recurring fair value measurements	85,864	79,635	165,499	5,046	1,510	6,556

Fair value measurements at 30 June 2024

	Consolidated			Parent		
	Level 2	Level 3	Total	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Recurring fair value measurements (Note 17)						
Land	13,335	-	13,335	1,165	-	1,165
Buildings and improvements	72,187	88,683	160,870	1,914	3,777	5,691
Total recurring fair value measurements	85,522	88,683	176,462	3,079	3,777	6,856

There are no non-recurring fair value measurements.

The Hospital's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period. Valuation techniques and inputs used to derive Level 2 and 3 fair values are at notes 16 and 19.2.

During 2025 and 2024, the Hospital had no valuations categorised into Level 1.

19.2 Valuation techniques and inputs

Land fair values were derived by using the market approach, being recent sales transactions of other similar land holdings within the region, adjusted for differences in key attributes such as property size, zoning and any restrictions on use, and then adjusted with a discount factor.

Due to the predominantly specialised nature of health service assets, the majority of buildings have been undertaken using a cost approach (depreciated replacement cost), an accepted valuation methodology under AASB 13. The extent of unobservable inputs and professional judgement required in valuing these assets is significant, and as such they are deemed to have been valued using Level 3 valuation inputs.

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Unobservable inputs used to arrive at final valuation figures included:

- Estimated remaining useful life, which is an economic estimate and by definition, is subject to economic influences;
- Cost rate, which is the estimated cost to replace an asset with the same service potential as the asset undergoing valuation (allowing for over-capacity), and based on a combination of internal records including: refurbishment and upgrade costs, historical construction costs, functional utility users, industry construction guides, specialised knowledge and estimated acquisition/transfer costs;
- Characteristics of the asset, including condition, location, any restrictions on sale or use and the need for ongoing provision of Government services;
- Effective life, being the expected life of the asset assuming general maintenance is undertaken to enable functionality but no upgrades are incorporated which extend the technical life or functional capacity of the asset; and
- Depreciation methodology, noting that AASB 13 dictates that regardless of the depreciation methodology adopted, the exit price should remain unchanged.

20. Payables

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Current				
Creditors and accrued expenses	5,385	7,297	5,384	7,299
Paid Parental Leave Scheme	26	22	26	22
Other payables	288	106	288	106
Total current payables	5,699	7,425	5,698	7,427

Payables are measured at nominal amounts. Creditors and accruals are recognised for all amounts owed and unpaid. Contractual payables are normally settled within 15 days from the date the invoice is first received. Staff on-costs are settled when the respective staff benefits that they relate to are discharged. All payables are non-interest bearing. The carrying amount of payables approximates net fair value due to their short term nature.

The Paid Parental Leave Scheme payable represents amounts which the Hospital has received from the Commonwealth Government to forward onto eligible staff via the Hospital's standard payroll processes. That is, the Hospital is acting as a conduit through which the payment to eligible staff is made on behalf of the Family Assistance Office.

Refer to note 30 for information on risk management.

21. Financial liabilities

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Current				
Lease liabilities	69	429	69	429
Total current financial liabilities	69	429	69	429
Non-current				
Lease liabilities	755	973	755	973
Total non-current financial liabilities	755	973	755	973
Total financial liabilities	824	1,402	824	1,402

Lease liabilities have been measured via discounting lease payments using either the interest rate implicit in the lease (where it is readily determined) or Treasury's incremental borrowing rate. There were no defaults or breaches on any of the above liabilities throughout the year.

Motor vehicles were leased from the South Australian Government Financing Authority (SAFA) through their agent LeasePlan Australia. Effective 1 April 2025, SAFA issued new lease agreements for all of its existing leases. Each of these new lease agreements includes a standard clause that gives SAFA substantive substitution rights, as a result motor vehicle leases are no longer captured by AASB 16. Accordingly, the carrying values of existing right-of-use assets and corresponding lease liabilities were derecognised.

Refer to note 30 for information on risk management.

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Refer note 16 for details about the right-of-use assets (including depreciation) and note 10 for financing costs associated with these leasing activities.

21.1 Maturity analysis

A maturity analysis of lease liabilities based on undiscounted gross cash flows is reported in the table below:

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Lease Liabilities				
Within one year	97	464	97	464
Later than one year but not longer than five years	347	582	347	582
Later than five years	494	488	494	488
Total lease liabilities (undiscounted)	938	1,534	938	1,534

22. Staff related liabilities

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Current				
Accrued salaries and wages	5,353	4,611	5,353	4,611
Annual leave	13,169	12,567	13,169	12,567
Long service leave	1,536	1,477	1,536	1,477
Skills and experience retention leave	811	752	811	752
Staff on-costs	2,399	2,253	2,399	2,253
Total current staff related liabilities	23,268	21,660	23,268	21,660
Non-current				
Long service leave	16,684	16,066	16,684	16,066
Staff on-costs	960	720	960	720
Total non-current staff related liabilities	17,644	16,786	17,644	16,786
Total staff related liabilities	40,912	38,446	40,912	38,446

Staff related liabilities accrue as a result of services provided up to the reporting date that remain unpaid. Non-current staff related liabilities are measured at present value and current staff related liabilities are measured at nominal amounts.

22.1 Salaries and wages, annual leave, skills and experience retention leave and sick leave

The liability for salary and wages is measured as the amount unpaid at the reporting date at remuneration rates current at the reporting date.

The annual leave liability and the skills and experience retention leave liability are expected to be payable within 12 months and are measured at the undiscounted amounts expected to be paid. In the unusual event where salary and wages, annual leave and skills and experience retention leave liability are payable later than 12 months, the liability will be measured at present value.

As a result of the actuarial assessment performed by DTF, the salary inflation rate has increased from the 2024 rate (2.4%) to 3.2% for annual leave and skills and experience retention leave liability. As a result, there is an increase in the employee staff benefits liability and staff benefits expenses of \$0.108 million.

No provision has been made for sick leave, as all sick leave is non-vesting, and the average sick leave taken in future years by staff is estimated to be less than the annual entitlement for sick leave.

22.2 Long service leave

The liability for long service leave is measured as the present value of expected future payments to be made in respect of services provided by staff up to the end of the reporting period using the projected unit credit method. The expected timing and amount of long service leave payments is determined through whole-of-government actuarial calculations which, are based on actuarial assumptions on expected future salary and wage levels, experience of employee departures and periods of service. These assumptions are based on employee data over SA Government entities and the health sector across government.

The discount rate used in measuring the liability is reflective of the yield on long-term Commonwealth Government bonds. The yield on long-term Commonwealth Government bonds has remained unchanged at 4.25%. The actuarial assessment performed by DTF leaves the salary inflation rate unchanged from 2024 at 3.5% for long service leave liability.

The net financial effect of the changes to actuarial assumptions in the current financial year is immaterial. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of demographical and financial assumptions – including the long-term discount rate.

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22.3 Staff on-costs

Staff on-costs include payroll tax, fringe benefits tax, Return to Work SA levies and superannuation contributions and are settled when the respective employee benefits that they relate to are discharged. These on-costs primarily relate to the balance of leave owing to employees. The Hospital makes contributions to several State Government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at reporting date relates to any contributions due but not yet paid to the South Australian Superannuation Board and externally managed superannuation schemes.

As a result of an actuarial assessment performed by DTF, the portion of long service leave taken as leave is increased from the 2024 rate (38%) to 47% and the average factor for the calculation of staff superannuation on-costs has increased from the 2024 rate (11.5%) to 12.0% to reflect the increase in super guarantee. These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year is an increase in the staff on-cost liability and staff benefits expenses of \$0.302 million. The estimated impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of assumptions.

23. Provisions

Provisions represent workers compensation.

Reconciliation of workers compensation (statutory and non-statutory)

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	6,707	12,858	6,707	12,858
Payments	(1,557)	(2,033)	(1,557)	(2,033)
Remeasurement	(421)	(5,781)	(421)	(5,781)
Additions	2,060	1,663	2,060	1,663
Carrying amount at the end of the period	6,789	6,707	6,789	6,707

Workers compensation provision (statutory and additional compensation schemes)

The Hospital is responsible for the management of workers rehabilitation and compensation and is directly responsible for meeting the cost of workers' compensation claims and the implementation and funding of preventive programs.

Accordingly, a liability has been reported to reflect unsettled workers compensation claims (statutory and additional compensation schemes).

The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2025 provided by a consulting actuary engaged through the Office of the Commissioner for Public Sector Employment.

The workers compensation provision includes the additional compensation scheme which provides continuing benefits to workers who have suffered eligible work-related injuries and whose entitlements have ceased under the statutory workers compensation scheme. Eligible injuries are non-serious injuries sustained in circumstances which involved, or appeared to involve, the commission of a criminal offence, or which arose from a dangerous situation.

There is a significant degree of uncertainty associated with estimating future claim and expense payments and also around the timing of future payments due to the variety of factors involved. The liability is impacted by the agency claim experience relative to other agencies, average claim sizes and other economic and actuarial assumptions. In addition to these uncertainties, the additional compensation scheme is impacted by the limited claims history and the evolving nature of the interpretation of, and evidence required to meeting, eligibility criteria. Given these uncertainties, the actual cost of additional compensation claims may differ materially from the estimate.

24. Contract liabilities and other liabilities

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Current				
Contract liabilities	1,163	1,573	1,163	1,573
Residential aged care bonds	39,825	34,628	39,825	34,628
Other	27	34	27	34
Total contract liabilities and other liabilities	41,015	36,235	41,015	36,235

A contract liability is recognized for revenue relating to home care packages and other health programs received in advance and is realised as agreed milestones have been achieved. All performance obligations from these existing contracts (deferred service income) will be satisfied during the next reporting period and accordingly all amounts will be recognised as revenue.

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Residential aged care bonds are accommodation bonds, refundable accommodation contributions and refundable accommodation deposits. These are non-interest bearing deposits made by aged care facility residents to the Hospital upon their admission to residential accommodation. The liability for accommodation is carried at the amount that would be payable on exit of the resident. This is the amount received on entry of the resident less applicable deductions for fees and retentions pursuant to the *Aged Care Act 1997*. Residential aged care bonds are classified as current liabilities as the Hospital does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. The obligation to settle could occur at any time. Once a refunding event occurs the other liability becomes interest bearing. The interest rate applied is the prevailing interest rate at the time as prescribed by the Commonwealth Department of Health.

25. Cash flow reconciliation

Reconciliation of net cash provided by operating activities to net cost of providing services:	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Net cash provided by (used in) operating activities	10,600	8,574	10,685	8,322
Add/less non-cash items				
Asset donated free of charge	-	-	-	(902)
Capital revenues	7,874	3,373	7,874	3,373
Depreciation and amortisation expense of non-current assets	(9,942)	(9,724)	(1,536)	(1,480)
Gain/(loss) on sale or disposal of non-current assets	(22)	(135)	(22)	(37)
Interest credited directly to investments	88	62	23	22
Resources received free of charge	1,151	-	1,151	-
Movement in assets/liabilities				
Increase/(decrease) in inventories	136	88	136	88
Increase/(decrease) in receivables	(334)	(245)	(303)	(252)
(Increase)/decrease in other liabilities	(4,780)	(3,570)	(4,780)	(3,570)
(Increase)/decrease in payables and provisions	1,333	5,281	1,336	5,268
(Increase)/decrease in staff benefits	(2,331)	(2,776)	(2,331)	(2,776)
Net result	3,773	928	12,233	8,056

Total cash outflows for leases is \$0.492 million (\$0.550 million).

26. Unrecognised contractual commitments

Expenditure commitments	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Within one year	586	819	586	819
Later than one year but not longer than five years	-	114	-	114
Total expenditure commitments	586	933	586	933

The Hospital's expenditure commitments are for agreements for goods and services ordered but not received and are disclosed at nominal amounts.

27. Trust funds

The Hospital holds money in trust on behalf of consumers that reside in its facilities whilst the consumer is receiving residential aged care services. As the Hospital only performs a custodial role in respect of trust monies, they are excluded from the financial statements as the Hospital cannot use these funds to achieve its objectives.

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Carry amount at the beginning of period	49	64	49	64
Client trust receipts	42	46	42	46
Client trust payments	(45)	(61)	(45)	(61)
Carrying amount at the end of the period	46	49	46	49

28. Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed within this note and, if quantifiable are measured at nominal value. The Hospital is not aware of any contingent assets and has made no guarantees.

The hospital has commenced an internal review of Nurses Rural and Remote Incentive Payment (Nurses zone allowance) and has identified instances of potential underpayments. The financial impact of these underpayments is estimated to be \$0.427 million. As the detailed review is ongoing, the timing and amount of any required payments remain uncertain.

The terms of offer for a new *South Australian Allied Health Professionals, Assistants and Psychologists Enterprise Agreement 2025* were presented on 13 June 2025, contingent on an agreement being reached and approval by the South Australian Employment Tribunal (SAET). In accordance with the terms of the new Enterprise Agreement eligible staff are entitled to, among other things, salary increases of 4.0% per annum back dated to the first full pay period after 1 May 2025. The financial impact of backpay and remeasurement of staff related liabilities is estimated to be \$0.140 million.

Negotiations have commenced for several other enterprise agreements which have nominally expired. Arrears payments may become due for employment up to 30 June 2025, if salary increases or other changes to entitlements are backdated, contingent on acceptance by members and approval by SAET. It is impossible to estimate the financial impact, timing, or likelihood.

29. Events after balance date

On 6 July 2025, allied health workers supported the terms for a new *South Australian Allied Health Professionals, Assistants and Psychologists Enterprise Agreement 2025*. The Enterprise Agreement was approved by the SAET on 11 August 2025. Also refer to note 28.

On 1 September 2025, Salaried Medical Officers endorsed the terms for a new *SA Health Salaried Medical Officers Enterprise Agreement 2025*, including 3.5% salary increase backdated to 14 April 2025 among the changes to conditions and entitlements. The proposed Enterprise Agreement is yet to be approved by SAET. Also refer note 28.

30. Financial instruments/financial risk management

30.1 Financial risk management

The Hospital's exposure to financial risk (liquidity risk, credit risk and market risk) is low due to the nature of the financial instruments held.

Liquidity Risk

The Hospital is funded principally by the SA Government. The Hospital works with the SA Government to determine the cash flows associated with the SA Government approved program of work and to ensure funding is provided through SA Government budgetary processes to meet the expected cash flows.

Refer to notes 1.4, 20 and 21 for further information.

Credit risk

The Hospital has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history. The Hospital has minimal concentration of credit risk. No collateral is held as security and no credit enhancements relate to financial assets held by the Hospital.

Refer to notes 13 and 14 for further information.

Market risk

The Hospital does not engage in high risk hedging for its financial assets. Exposure to interest rate risk may arise through interest bearing liabilities, including borrowings. Residential Aged Care bonds become interest bearing when a refunding event occurs as per note 24. There is no exposure to foreign currency or other price risks.

30.2 Categorisation of financial instruments

Details of the significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement, maturity analysis and the basis on which income and expenses are recognised with respect to each class of financial asset, financial liability and equity instrument are disclosed in note 1 or the respective financial asset / financial liability note.

Financial assets and financial liabilities are measured at amortised cost. Amounts relating to statutory receivables and payables (e.g. Commonwealth taxes; Audit Office of South Australia audit fees etc.) and prepayments are excluded as they are not financial assets or liabilities. Receivables and Payables at amortised cost are \$5.659 million (\$6.271 million) and \$5.613 million (\$7.238 million) respectively.

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30.3 Credit risk exposure and impairment of financial assets

Loss allowances for receivables are measured at an amount equal to lifetime expected credit loss using the simplified approach in AASB 9. Loss allowances for contract assets are measured at an amount equal to an expected credit loss method using a 12 month method. No impairment losses were recognised in relation to contract assets during the year.

The Hospital uses an allowance matrix to measure the expected credit loss of receivables from non-government debtors. The expected credit loss of government debtors is considered to be nil based on the external credit ratings and nature of the counterparties. Impairment losses are presented as net impairment losses within net result, subsequent recoveries of amounts previously written off are credited against the same line item.

The carrying amount of receivables approximates net fair value due to being receivable on demand. Receivables are written off when there is no reasonable expectation of recovery and not subject to enforcement activity. Indicators that there is no reasonable expectation of recovery include the failure of a debtor to enter into a payment plan with the Hospital.

To measure the expected credit loss, receivables are grouped based on shared risks characteristics and the days past. When estimating expected credit loss, the Hospital considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Hospital's historical experience and informed credit assessment, including the forward-looking information.

The assessment of the correlation between historical observed default rates, forecast economic conditions and expected credit losses is a significant estimate. The Hospital's historical credit loss experience and forecast of economic conditions may not be representative of customers' actual default in the future.

Loss rates are calculated based on the probability of a receivable progressing through stages to write off based on the common risk characteristics of the transaction and debtor. The following table provides information about the credit risk exposure and expected credit loss for non-government debtors:

CONSOLIDATED AND PARENT	30 June 2025			30 June 2024		
	Expected credit loss rate(s) %	Gross carrying amount \$'000	Expected credit losses \$'000	Expected credit loss rate(s) %	Gross carrying amount \$'000	Expected credit losses \$'000
Days past due						
Current	0.1 - 6.7%	732	18	0.1 – 6.5 %	571	13
<30 days	0.7 - 9.1%	1,130	28	0.7 – 9.2 %	326	16
31-60 days	1.3 - 13.8%	171	11	1.5 – 14.2 %	113	8
61-90 days	1.7 - 19.5%	148	14	1.9 – 20.8 %	70	6
91-120 days	2.0 - 22.6%	143	16	2.3 – 24.5 %	66	8
121-180 days	2.8 - 30.4%	97	9	3.2 – 34.4 %	93	13
181-360 days	5.4 - 59.9%	159	55	6.1 – 72.7 %	268	112
361-540 days	7.0 - 95.0%	66	29	7.9 – 93.1 %	122	58
>540 days	8.0 - 100.0%	437	197	9.1 – 100.0 %	480	209
Total		3,083	377		2,109	443

31. Significant transactions with government related entities

The Hospital is controlled by the SA Government.

Related parties of the Hospital include all key management personnel, and their close family members; all Cabinet Ministers and their close family members; and all public authorities that are controlled and consolidated into the whole of government financial statements and other interests of the Government.

Significant transactions with the SA Government are identifiable throughout this financial report.

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The Hospital received funding from the SA Government via the Department (note 2), and incurred significant expenditure via the Department for medical, surgical and laboratory supplies, computing and insurance (note 9). The Department transferred capital works in progress of \$4.725 million (\$2.299 million) to the Hospital.

32. Interests in other entities

The Hospital has interests in a number of other entities as detailed below.

Controlled Entities

The Hospital has effective control over, and a 100% interest in, the net assets of the HACs. The HACs were established as a consequence of the Act being enacted and certain assets, rights and liabilities of the former Hospitals and Incorporated Health Centres were vested in them with the remainder being vested in the Hospital.

By proclamation dated 26 June 2008, the following assets, rights and liabilities were vested in the Incorporated HACs:

- all real property, including any estate, interest or right in, over or in respect of such property except for all assets, rights and liabilities associated with any land
- all real property, including any estate, interest or right in, over or in respect of such property except for all assets, rights and liabilities associated with any land dedicated under any legislation dealing with Crown land; and
- all funds and personal property held on trust and bank accounts and investments that are solely constituted by the proceeds of fundraising except for all gift funds, and other funds or personal property constituting gifts or deductible contributions under the Income Tax Assessment Act 1997 (Commonwealth).

The HAC have no powers to direct or make decisions with respect to the management and administration of the Hospital.

The Hospital also has effective control over, and a 100% interest in, the net assets of the associated GFTs. The GFTs were established by virtue of a deed executed between the Department for Health and Wellbeing and the individual HACs.

Health Advisory Council		
Incorporated HACs		
Berri Barmera District Health Advisory Council Inc	Coorong Health Service Health Advisory Council Inc	Loxton and Districts Health Advisory Council Inc
Mallee Health Service Health Advisory Council Inc	Mannum District Hospital Health Advisory Council Inc	Renmark Paringa District Health Advisory Council Inc
The Murray Bridge Soldiers' Memorial Hospital Health Advisory Council Inc	Waikerie and Districts Health Advisory Council Inc	Berri Barmera District Health Advisory Council Inc Gift Fund Trust
Coorong Health Service Health Advisory Council Inc Gift Fund Trust	Loxton and Districts Health Advisory Council Inc Gift Fund Trust	Mallee Health Service Health Advisory Council Inc Gift Fund Trust
Mannum District Hospital Health Advisory Council Inc Gift Fund Trust	Renmark Paringa District Health Advisory Council Inc Gift Fund Trust	The Murray Bridge Soldiers' Memorial Hospital Health Advisory Council Inc Gift Fund Trust
Waikerie and Districts Health Advisory Council Inc Gift Fund Trust		

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33. Board and committee members

Members of boards/committees that served for all or part of the financial year and were entitled to receive income from membership in accordance with APS124.B were:

Board/Committee name:	Government employee members	Other members
Riverland Mallee Coorong Local Health Network Governing Board	-	Ashworth E (Chair), Goldsmith C, Ottaway M, Toogood F, Waters S, Hearn R, Joyner P (resigned 31/12/24), Valentine R (appointed 01/07/24), Rischbieth P (appointed 01/01/25)
Riverland Mallee Coorong Local Health Network Risk and Audit Committee	-	Brass P (Chair)*, Goldsmith C, Ottaway M, Valentine R, Ashworth E, Joyner P (resigned 31/12/24)

*only independent members are entitled to receive remuneration for being a member on this committee.

Refer to note 8.2 for remuneration of board and committee members